

EAST GATE CONDOMINIUM ASSOCIATION, INC.
12138 Central Avenue, Suite 863
Mitchellville, Maryland 20721
240-770-5381 Office/240-260-0755 Fax

December 20, 2022

Subject: 2023 Approved Budget

Dear Homeowner,

As you are aware, the Board of Directors has a fiduciary responsibility to ensure the functions and obligations of the community are performed consistent with the Declaration, Articles of Incorporation, and Bylaws of East Gate Condominium Association, Inc. This includes maintaining the common area in a safe and peaceful status that promotes property values and a peaceful coexistence for the homeowners and their guests, preparation of the annual budget, and fixing the annual assessment.

Enclosed, is the approved 2023 Budget. As you are reviewing this budget, you will notice the Board of Directors voted to increase the annual assessment by 15%. The par value for your unit is listed.

<u>Old Assessment</u>	<u>New Assessment</u>
\$210.04	\$241.55
\$211.51	\$243.24
\$267.94	\$308.12
\$237.73	\$273.42

The annual assessment is payable Monthly installments. First payment will be due January 1st.

Please contact us at 240-770-5381 or Office@quality1propertymanagement.com with any questions or concerns.

Sincerely,

Quality1 Property Management, LLC
For East Gate Condominium Association, Inc.

Enclosure (1)

East Gate
2023 Draft Budget

	2022	2023 Draft
	Approved	Budget
	Budget	Budget
I. INCOME		
		<i>15% increase</i>
4001 Association Fee Income	\$139,001.80	\$159,852.00
4030 Interest Income	\$0.00	\$0.00
4040 Legal Fees Income	\$1,200.00	\$1,200.00
4900 Other Income	\$500.00	\$500.00
4350 Replacement Keys Income	\$50.00	\$50.00
4300 Rental Unit Income 3423 5th #24	\$12,000.00	\$12,000.00
Doubtful Income	(\$9,416.00)	(\$9,416.00)
TOTAL INCOME	\$143,335.80	\$164,186.00
II. EXPENSES		
A. GENERAL AND ADMINISTRATION		
5010 Audit Fee/Tax Prep	\$1,500.00	\$1,500.00
5300 Loan- interest	\$0.00	\$0.00
5081 Printing- PMT Coupons	\$0.00	\$850.00
5015 Loan SBA	\$0.00	\$6,045.00
5310 Loan Principal	\$0.00	\$5,200.00
5060 Bank Fee Expense	\$0.00	\$50.00
5090 Insurance Policy Expense	\$12,814.00	\$15,500.00
5030 Legal Fees- Collection	\$2,500.00	\$2,500.00
5020 Legal Fees- General	\$2,000.00	\$2,000.00
5070 Postage & Delivery	\$200.00	\$200.00
5001 General & Administration	\$0.00	\$0.00
Misc. Expense	\$200.00	\$200.00
TOTAL GENERAL AND	\$19,214.00	\$34,045.00
B. Contract Services		
6505 Building Cleaning Expense	\$8,134.80	\$8,135.00
6520 Landscaping - Maintenance	\$2,000.00	\$0.00
6530 Lawn Maintenance-Contract	\$7,500.00	\$7,500.00
5002 Management Fees	\$15,600.00	\$15,600.00
9008 Reserve Contribution	\$13,001.00	\$15,290.00
6540 Pest Control	\$2,500.00	\$2,500.00
6570 Snow Removal	\$2,500.00	\$2,500.00
6580 Trash	\$5,200.00	\$10,356.00
6585 Bulk Trash	\$800.00	\$2,400.00
6560 Security Expense	\$800.00	\$800.00

TOTAL CONTRACT SERVICES	\$58,035.80	\$65,081.00
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C. MAINTENANCE EXPENSES

6515 Access Control System	\$2,500.00	\$1,455.00
8475 Fire Protection Expense	\$400.00	\$650.00
6590 Tree Removal	\$0.00	\$1,100.00
8200 Maintenance Expenses	\$500.00	\$500.00
8450 Electrical Repairs	\$1,200.00	\$3,314.00
8230 Plumbing	\$1,200.00	\$2,000.00
8241 Roofing Expense	\$800.00	\$3,500.00
8242 Lock Maintenance	\$2,000.00	\$1,500.00
8201 Site Maintenance & Repairs	\$500.00	\$9,500.00

TOTAL MAINTENANCE	\$9,100.00	\$23,519.00
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Reserve -

9010 Reserve - Expense	\$0.00	\$0.00
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TAXES

Corporate Tax	\$500.00	\$500.00
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Utilities

7001 Electricity	\$3,193.00	\$3,193.00
7010 Water & Sewer	\$29,319.00	\$34,797.00
7030 Telephone	\$3,090.00	\$3,051.00

TOTAL UTILITY EXPENSES	\$35,602.00	\$41,041.00
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	\$8,500.00	\$8,500.00
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TOTAL EXPENSES	\$122,451.80	\$164,186.00
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Net Operating Income	\$20,884.00	\$0.00
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Projections

Street Repair- \$80,750

Electric Panels \$12,000

Security Camera \$5,700

1st SBA payment due December 2023